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CENTRAL INTELLIGENCE AGENCY



Deputy
Director, Office of Legislative Liaison

22 May 1985

NOTE FOR: D/OLL

Chuck,

Bernie McMahon called to give us results
of markup.

Reports are
still asked for, but without prejudgments.
The markup is completed but the final vote has
not been taken. Will take it Thursday.

cc: DCI
DDCI
EXDIR
Comptroller

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WASHINGTON, DC 20515

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May 21, 1985

Mr. Clair E. George
Deputy Director for Operations
Central Intelligence Agency
Washington, D.C. 20505

Dear Mr. George:

Thank you for your letter of April 26, 1985 expressing support for the Department of Defense intelligence proprietaries legislation requested by Director Casey as part of the Administration's proposed FY 1986 intelligence authorization bill. As you know, the Committee received the Administration's proposed bill only a few days prior to markup and was thus unable to give the proprietaries proposal the attention it deserves.

One comment in your letter surprised and concerned me. You stated that:

"CIA is prepared, upon enactment, to brief DOD regarding its experience in establishing proprietaries." [Emphasis added]

It would seem to me that the time for CIA to share its unique proprietaries experience with DOD is before Congress grants DOD the unusual authority it requests, not after. The Congress undoubtedly will want to know DOD's plans to use the proposed proprietaries authority before it grants such authority, and DOD will need the benefit of your Agency's unique experience to formulate such plans. Equally important to congressional consideration would be the CIA's assessment of the intelligence mission need for such authority and under what circumstances such authority would be helpful. Accordingly, I would urge you to begin now to assist DOD as it moves forward with the proprietaries legislation proposal.

I look forward to working with the Agency further as the Congress considers the DOD proprietaries legislation Director Casey requested.

Sincerely,



BOB STUMP
Ranking Minority Member

cc: Honorable Lee H. Hamilton
Chairman

Central Intelligence Agency



Washington, D.C. 20505

26 APR 1985

The Honorable Bob Stump
Ranking Minority Member
Permanent Select Committee on Intelligence
House of Representatives
Washington, D.C. 20515

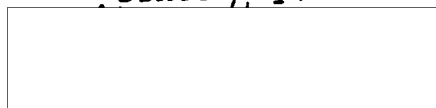
Dear Mr. Stump:

The Administration has now cleared the draft FY 86 Intelligence Authorization Bill for Congressional action. Title V, Support for Defense Intelligence Activities, would give DoD statutory authority to establish and operate commercial entities as cover support for DoD intelligence collection activities.

CIA supports DoD's efforts to achieve legislative enactment of this authority. Military intelligence requirements have become more and more demanding, particularly in regions where United States military presence is absent or where our official presence is small or closely watched. DoD intelligence collectors need the operational tools this legislation provides, i.e., nonofficial commercial cover, to enhance their capability to gather the information needed by commanders throughout the world.

Military intelligence operations are an integral part of the combined Intelligence Community effort. The proposed legislation would neither change nor increase DoD's intelligence mission nor create a DoD activity duplicating CIA's. It would, however, provide a more secure operating environment for DoD intelligence collection activities and facilitate access to targets not readily accessible under current scenarios. DoD and CIA already have established viable intelligence collection coordination procedures. Any use of the authority granted in this legislation would continue to be coordinated with CIA under those same procedures so as to avoid any duplication of effort. CIA is prepared, upon enactment, to brief DoD regarding its experience in establishing proprietaries. A copy of this letter is also being provided to Chairman Hamilton.

Sincerely,



Clair E. George

Deputy Director for Operations

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